

SPECIAL MEETING
BEFORE THE
CALIFORNIA ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

HEARING ROOM A
CALIFORNIA ENERGY COMMISSION
1516 NINTH STREET
SACRAMENTO, CALIFORNIA

WEDNESDAY, APRIL 11, 2001

9:15 a.m.

Reported By:
Valorie Phillips
Contract No. 150-99-002

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

COMMISSIONERS PRESENT

William J. Keese, Chairman

Michal C. Moore

Robert Pernel

Arthur Rosenfeld

STAFF PRESENT

Steve Larson, Executive Director

William Chamberlain, Chief Counsel

Garret Shean, Hearing Officer

Karen Holmes, Staff Counsel

Jack Caswell, Project Manager

PUBLIC ADVISER

Priscilla Ross, Executive Assistant

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1 P R O C E E D I N G S

2 CHAIRMAN KEESE: False alarm. We'll
3 hold off for a few seconds.

4 Commissioner Rosenfeld, would you lead
5 us in the Pledge, please.

6 (Thereupon the Pledge of Allegiance
7 was recited in unison.)

8 CHAIRMAN KEESE: Thank you. We have a
9 rather abbreviated meeting today. Item 2,
10 Huntington Beach Generating Station Retool
11 Project, has been put over until next week, at the
12 18th.

13 Item 1, Hanford Energy Park Project.
14 Consideration and possible adoption of the
15 Presiding member's Proposed Decision in the 98.7
16 megawatt natural gas-fired Hanford Application for
17 a Small Power Plant Exemption.

18 COMMISSIONER MOORE: Mr. Chairman, we
19 have had a unique application in this case for the
20 Hanford Energy Park Project, involving a
21 compressed filing time, and a compressed hearing
22 time. And the Proposed Decision is before you
23 today.

24 I'll defer to Ms. Holmes to introduce
25 the Staff report on this, and then Garret, as the

1 Hearing Officer, can -- can add in, and then I
2 have a motion I'd like to make.

3 MS. HOLMES: Thank you. I have just a
4 couple of comments.

5 First of all, we wanted to express our
6 appreciation to the Applicant in this situation.
7 This was, as Commissioner Moore alluded to, an
8 unusually smooth process, and we appreciate their
9 cooperation. Also, the local agencies in the area
10 of the project were very helpful as we worked
11 through the project.

12 I have, since Staff prepared its initial
13 study, which was taken into evidence at a hearing
14 earlier this spring, we received a letter from the
15 Native American Heritage Commission, stating that
16 it appears that the archeological resources within
17 the area of the project effect have been
18 addressed.

19 However, they noted five specific
20 concerns. Apparently they did not receive, or at
21 the time were not aware of the SPPE application
22 itself. Staff has responded to their concerns by
23 pointing out that each of the points that they
24 addressed was addressed in the SPPE application
25 itself, and we've docketed a letter to that

1 effect, so stating.

2 The last comment that I had to make is
3 simply that a procedural recommendation would be
4 that the Commission adopt the Negative Declaration
5 prior to approving the request for a Small Power
6 Plant Exemption.

7 Thank you.

8 CHAIRMAN KEESE: Thank you.

9 COMMISSIONER MOORE: And perhaps Mr.
10 Shean can talk about the process that we used,
11 just a brief note, and the Commissioners may want
12 to be aware, this may come up again in the future.

13 HEARING OFFICER SHEAN: Very briefly.
14 We had a Small Power Plant Exemption before us,
15 which is an unusual application, in light of what
16 we've had typically here in the last several
17 years. But rather than asking for a certification
18 by the Commission, this was a request to be
19 exempted from our process so long as the unit was
20 under 100 megawatts. This is a proposed 98.7
21 megawatts.

22 With the participation of the local
23 agencies, including the air district and the city,
24 we have done a complete environmental and
25 engineering review, and based upon that review

1 believe it's appropriate, with the conditions in
2 the Mitigated Negative Declaration, to approve
3 that Mitigated Negative Dec, and the Application
4 for the Small Power Plant Exemption.

5 I wish to second Ms. Holmes' thanks to
6 the Applicant for their cooperation, and also I
7 would say to the hospitality of the City of
8 Hanford on our numerous visits there, and to the
9 enthusiastic support, I would say, of both the
10 local government and most of the citizens of
11 Hanford that came to our hearings.

12 So it seems appropriate that we do grant
13 this Small Power Plant Exemption.

14 COMMISSIONER MOORE: And perhaps the
15 Applicant would like to add a couple of words, Mr.
16 Chairman.

17 MR. GRATTAN: Briefly.

18 First, I'd like to introduce Doug
19 Wheeler, from GWF Power Systems, and Dave Stein,
20 from URS.

21 And I want to say that this was the
22 easiest project I ever worked on. And the reason
23 it was so easy, again, is that GWF, as you've
24 heard from the Hearing Officer and Staff, GWF is a
25 good corporate citizen. It did not make a move

1 with this project before it consulted the -- the
2 local citizens, and the City of Hanford. Many of
3 those local citizens, back 12, 15 years ago,
4 actually were litigants against GWF when GWF was
5 trying to permit its first plant. It goes to show
6 you that being a good neighbor, being a good
7 corporate citizen goes a long, long ways.

8 And I'd like to introduce Doug Wheeler,
9 who has just a few words to say.

10 I'd also like, again, to thank the Staff
11 and thank the Hearing Officer. They are all part
12 of the process, all part of the smooth process.
13 Thanks.

14 CHAIRMAN KEESE: Thank you.

15 MR. WHEELER: On behalf of GWF, I'd like
16 to express our thanks and appreciation to the --
17 Garret Shean, the Hearing Officer, Jack Caswell,
18 the Project Manager, and Staff, on what we felt
19 was a very thorough and professional analysis of
20 the case that we brought before the Commission.

21 And also, like to express our
22 appreciation to the support of the City of
23 Hanford.

24 Thank you very much.

25 CHAIRMAN KEESE: Thank you.

1 Commissioner Moore, you have a motion?

2 COMMISSIONER MOORE: Mr. Chairman, I
3 would like to propose a motion that we adopt the
4 Mitigated Negative Declaration for the Hanford
5 Energy Park Project.

6 COMMISSIONER PERNELL: Second.

7 CHAIRMAN KEESE: Motion, Commissioner
8 Moore. Second, Commissioner Pernell.

9 Any further conversation?

10 All in favor?

11 (Ayes.)

12 CHAIRMAN KEESE: Opposed?

13 Adopted, four to nothing.

14 COMMISSIONER MOORE: Mr. Chairman, I
15 move that we adopt the Presiding Member's Proposed
16 Decision for the Hanford Energy Park Project.

17 COMMISSIONER PERNELL: Second.

18 CHAIRMAN KEESE: Motion, Commissioner
19 Moore, second, Commissioner Pernell.

20 Any conversation on this motion?

21 Hearing none, all in favor.

22 (Ayes.)

23 CHAIRMAN KEESE: Opposed?

24 Adopted, four to nothing.

25 I believe --

1 COMMISSIONER MOORE: Mr. Chairman, I
2 have one -- one other item I'd like to bring up,
3 and that is that -- to remind the members that on
4 Wednesday next there will be the matter of the
5 newest renewable auction that will come before us,
6 and I'm just sort of arming you ahead of time to
7 the fact that we will be coming in with a proposal
8 that is largely reminiscent of the previous
9 auctions, very successful auctions that we have
10 conducted, with the hope that we'll be able to
11 bring some additional renewable megawatts online
12 in a very short period of time.

13 So you'll be seeing that before you next
14 week.

15 CHAIRMAN KEESE: Thank you. I regret
16 that I will be out of town all week, at the
17 Western Interstate Energy Board series of
18 meetings.

19 Before we adjourn, I'd like the
20 Commissioners -- we're going to continue this
21 meeting in a more informal setting, in the second
22 floor conference room, where Mr. Larson and Staff
23 are going to brief us on the -- the current
24 situation regarding generation, natural gas,
25 conservation, and the activities that Staff has

1 been doing with the administration for the last
2 months. We're going to have a brief update of the
3 Commissioners.

4 This is going to be a public meeting, so
5 the public is welcome to be in the room, but we're
6 going to do it in a more informal setting, where
7 we can ask questions and it'll be a back and
8 forth.

9 Mr. Larson, do you have anything more to
10 add to that?

11 EXECUTIVE DIRECTOR LARSON: Not much,
12 Mr. Chairman. Mainly just I'd like to see this
13 sort of as a -- as a periodic thing that we do
14 from now on, you know, sort of maybe once a week,
15 or whatever, just sort of so that you can get a
16 better understanding. I mean, we do it sort of
17 sporadically, as we brush up against you during
18 the week, but in this more formal setting, just to
19 sort of let you know exactly what's going on in
20 terms of power plant permitting, and also
21 particularly in terms of conservation, and where
22 those programs are going, since we have such new
23 and extensive responsibilities in -- in those
24 areas.

25 CHAIRMAN KEESE: Thank you. I don't

1 believe we have any Executive Director's Report,
2 no Legal Counsel's Report, and nothing from our
3 Public Adviser.

4 So this meeting will be adjourned at the
5 end of our informal session, but we're -- we close
6 it now.

7 Thank you.

8 (Thereupon the Business Meeting
9 was adjourned at 9:25 a.m.)

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CERTIFICATE OF REPORTER

I, VALORIE PHILLIPS, an Electronic Reporter, do hereby certify that I am a disinterested person herein; that I recorded the foregoing California Energy Commission Business Meeting; that it was thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said Meeting, nor in any way interested in the outcome of said Meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of April, 2001.

VALORIE PHILLIPS

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